GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1017
ANSWERED ON:04.12.2015
Interest Subvention on Housing Loan
Patil Shri Kapil Moreshwar;Singh Shri Ganesh

Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to provide subsidy on amount of interest accrued on housing loans to weaker sections and low income groups of the country;
(b) if so, the details thereof;
(c) the details of rural housing schemes sponsored by nationalised banks in the country; and
(d) the number of people benefited/likely to be benefitted including in rural areas under the said scheme?

Answer

The Minister of State in the Ministry of Finance

(SHRI JAYANT SINHA)

(a) & (b): The Pradhan Mantri Awas Yojana - Housing for All (HFA) (Urban) Mission has been launched on 25th June, 2015 by Ministry of Housing and Urban Poverty Alleviation (Mo/HUPA). Credit Linked Subsidy Scheme (CLSS) component of the Mission is being implemented as a Central Sector Scheme as part of the Mission across the country in all 4041 statutory towns as per Census 2011. Under CLSS, the beneficiaries of Economically Weaker Section (EWS) having household annual income upto Rs. 3.00 lakh and Low Income Group (LIG) having household annual income between Rs. 3.00 lakh and upto Rs. 6.00 lakh subject to their being otherwise eligible under the scheme, can avail of interest subsidy at the rate of 6.5% on the housing loans from Banks, Housing Finance Companies and other such institutions upto Rs. 6.00 lakh for a tenure of 15 years or actual tenure of loan whichever is earlier, for acquisition, construction and addition of rooms, kitchen, toilet etc. to existing dwellings as incremental housing.
(c) & (d) Rural Housing Fund: This is a scheme under which refinance is given to Primary Lending Institutions (PLIs) for lending towards rural housing undertaken by people falling under the weaker section category. The housing loans eligible under this scheme are Direct Housing Loans up to Rs. 15 lakh disbursed by the PLIs.
Since, 2008-09, 15,23,287 units have been financed by Housing Finance Companies (HFCs), Secheduled Commercial Banks (SCBs), Urban Cooperative Banks (UCBs), Regional Rural Banks (RRBs), Apex Co-operative Housing Federations (ACHFS) and Agriculture and Rural Development Banks (ARDBs) by disbursing Rs. 22,604.33 crore.

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